RESEARCH HIGHLIGHT

December 2010 Socio-economic Series 10-021

2006 Census Housing Series: Issue 10— The Housing Conditions of Canada's Seniors

INTRODUCTION

This *Research Highlight* uses 2006 census data and data from the 2006 Survey of Labour and Income Dynamics to discuss the housing conditions of senior households, defined as households with primary household maintainers aged 65 years and older.

FINDINGS

The senior population

The senior population continues to grow at a faster pace than the Canadian average

Between 2001 and 2006, the Canadian population grew by 5.4%, from 30.0 million to 31.6 million, and the number of seniors in Canada rose from 3.9 million to 4.3 million, an increase of 11.4% (see Table 1). The proportion of seniors in the total population rose from 13% to 13.7%[1]. The growth in the number of seniors aged 75 or more was especially high, with an increase of 17% between 2001 and 2006. Seniors aged 75 or more represented 6.5% of the Canadian population in 2006 compared to 5.8% in 2001.

A majority of seniors live in Census Metropolitan Areas (CMAs)[2], Canada's large urban centres, but seniors are overrepresented outside CMAs (see Figure 1). At 15.5%, the proportion of seniors relative to the total population is higher in smaller urban centres (Census Agglomerations – CAs)[3] and outside urban centres than in CMAs. This is not surprising, considering the attractiveness of many smaller centres as retirement destinations and the higher propensity of non-seniors to migrate from smaller urban centres and rural communities to larger cities.

Senior households

Most seniors live in private households, but seniors are more likely than non-seniors to live in collective dwellings

Like Canadians in all age groups, most seniors lived in private households in 2006. However, seniors were much more likely than non-seniors to live in collective dwellings. As seniors age and their health deteriorates, they become more likely to be housed in nursing homes, health care facilities, or similar facilities. As a result, seniors made up 61% of the population living in collective dwellings

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[1] The relatively high growth of the senior population relative to other age groups reflects the aging of the Canadian population, a trend that is projected to persist in the coming decades. See *Canadian Housing Observer 2009*, Figure 3-8, page 42 at www.cmhc.ca.

[2] A Census Metropolitan Area (CMA) consists of one or more adjacent communities with a total population of at least 100,000, of which 50,000 or more live in the urban core.

[3] A Census Agglomeration (CA) consists of one or more adjacent communities with a total population in its urban core of at least 10,000.

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Table 1 Population by Age, Canada, 2001-2006

	2001						2006					
	Total Population		Population in Collective Dwellings		Population in Private Dwellings		Total Population		Population in Collective Dwellings		Population in Private Dwellings	
	(000's)	%	(000's)	%	(000's)	%	(000's)	%	(000's)	%	(000's)	%
Total	30,002	100	480	100	29,522	100	31,613	100	534	100	31,079	100
Seniors												
65+	3,890	13.0	287	59.8	3,603	12.2	4,335	13.7	324	60.8	4,011	12.9
75+	1,746	5.8	240	50.0	1,506	5.1	2,047	6.5	276	51.6	1,771	5.7
Non-seniors	26,111	87.0	192	40.0	25,919	87.8	27,278	86.3	209	39.2	27,068	87.1

Source: Statistics Canada (Census of Canada)

in 2006 although persons aged 65 and over accounted for only 13.7% of the total population (see Table 1). In 2006, 7.5% of all seniors lived in collective dwellings, up from 7.4% in 2001. The corresponding proportions for non-seniors were 0.8% in 2006 and 0.7% in 2001 (see Figure 2).

The increase in the number and the percentage share of seniors living in collective dwellings between 2001 and 2006 can be partly attributed to the growing share of persons aged 75 and over within the senior population. Seniors aged 75 and over are more than six times as likely to live in collective dwellings as seniors aged 65-74. The increase in the size of this age group thus increases the number and the percentage of seniors living in collective dwellings.

The living arrangements of Canadian seniors in private households are different from those of non-seniors

In 2006, family households consisting of a couple with no children present accounted for 41% of all households with a primary household maintainer aged 65 and over but only for 22% of all households with a non-senior maintainer (see Table 2). A further 43% of senior-led households were single-person households, compared to only 22% of all

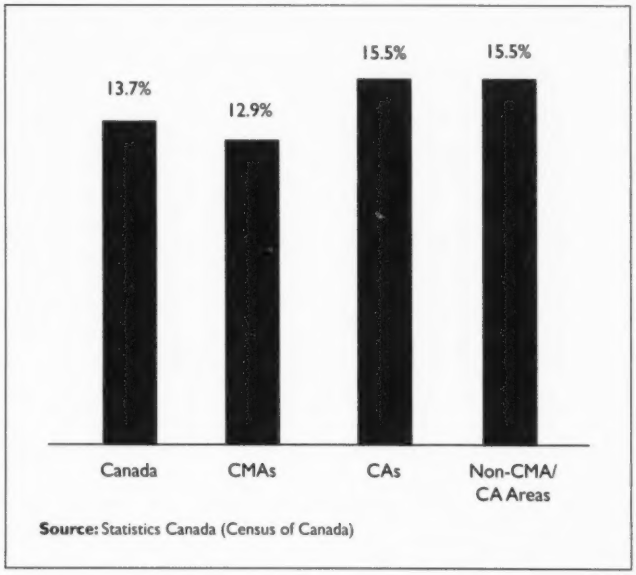

Figure 1 Seniors (Aged 65+) as a Proportion of Total Population, 2006

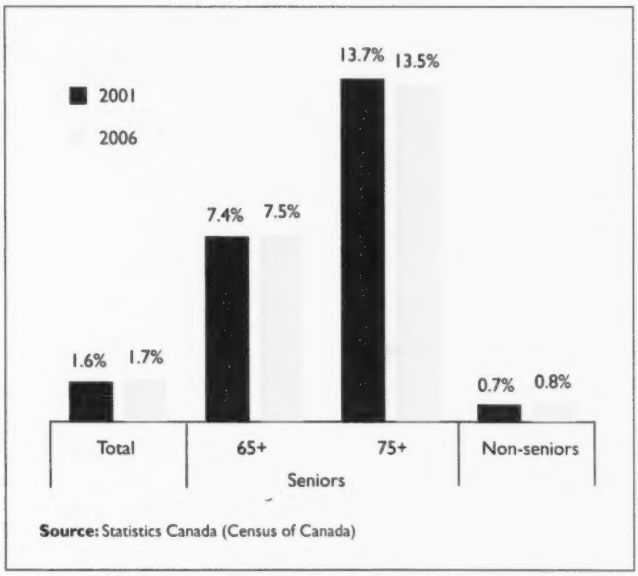

Figure 2 Proportion of Population Living in Collective Dwellings, Canada, 2001-2006

households with a non-senior maintainer. The average size of senior households (at 1.7 persons per household) is thus smaller than the average size of non-senior households (at 2.8 persons per household).

The number of senior-led households continues to rise faster than the number of non-senior households

Combined with the higher than average rate at which the senior population grew between 2001 and 2006, the tendency of seniors to live in smaller households led to a steep rise in the number of senior households during this time period. While the total number of private households in Canada rose by 7.6%, between 2001 and 2006, the number of households with maintainers aged 65 and over grew at a rate of 9.9%.

Seniors housing tenure

A majority of senior households own a home, increasingly a condominium

Senior households are more likely to own a home than non-senior households. In 2006, 72% of all senior households owned a home, compared to 67% of non-senior households (see Table 2). Among senior households,

Table 2 Households by Household Type, Dwelling Type, and Tenure – Canada, 2006

	Seniors						Non-seniors		Total	
	65+		65-74		75+					
	(#)	(%)	(#)	(%)	(#)	(%)	(#)	(%)	(#)	(%)
All households	2,646,085	100	1,387,285	100	1,258,805	100	9,791,385	100	12,437,470	100
Household Type										
Couples (with or without children)	1,250,335	47.3	780,175	56.2	470,165	37.4	5,894,585	60.2	7,144,920	57.4
Couples without children	1,074,170	40.6	657,625	47.4	416,545	33.1	2,168,360	22.1	3,242,530	26.1
Couples with children	176,165	6.7	122,550	8.8	53,620	4.3	3,726,225	38.1	3,902,390	31.4
Lone parents	179,335	6.8	78,825	5.7	100,510	8.0	1,096,800	11.2	1,276,130	10.3
Males	35,265	1.3	16,660	1.2	18,605	1.5	212,515	2.2	247,780	2.0
Females	144,070	5.4	62,165	4.5	81,905	6.5	884,285	9.0	1,028,350	8.3
Living alone	1,128,665	42.7	473,875	34.2	654,785	52.0	2,198,380	22.5	3,327,045	26.8
Males	302,100	11.4	151,855	10.9	150,240	11.9	1,179,665	12.0	1,481,765	11.9
Females	826,565	31.2	322,020	23.2	504,545	40.1	1,018,715	10.4	1,845,280	14.8
Other household types	87,745	3.3	54,410	3.9	33,335	2.6	601,625	6.1	689,365	5.5
Dwelling Type										
Singles	1,459,825	55.2	822,565	59.3	637,255	50.6	5,420,140	55.4	6,879,965	55.3
Apartments	812,760	30.7	356,140	25.7	456,620	36.3	2,588,505	26.4	3,401,265	27.3
Other multiples	337,100	12.7	186,505	13.4	150,595	12.0	1,656,595	16.9	1,993,700	16.0
Movable dwellings	36,405	1.4	22,070	1.6	14,335	1.1	126,135	1.3	162,535	1.3
Tenure										
Owned	1,910,785	72.2	1,056,105	76.1	854,680	67.9	6,598,995	67.4	8,509,780	68.4
Freehold	1,636,010	61.8	927,210	66.8	708,800	56.3	5,958,045	60.8	7,594,055	61.1
Condominium	274,775	10.4	128,895	9.3	145,880	11.6	640,950	6.5	915,725	7.4
Rented	729,640	27.6	327,395	23.6	402,240	32.0	3,148,860	32.2	3,878,500	31.2
Band housing	5,660	0.2	3,775	0.3	1,885	0.1	43,520	0.4	49,180	0.4
Average Household Size	**1.7**	**n/a**	**1.9**	**n/a**	**1.6**	**n/a**	**2.8**	**n/a**	**2.5**	**n/a**

Source: Statistics Canada (Census of Canada)

the rate of homeownership varies by the age of the household maintainer. While 76% of households headed by seniors aged 65-74 owned a home in 2006, 68% of households headed by seniors aged 75 or older did so. Further, senior-led households are more likely to own condominiums than other households, with 10% of senior-led households and 7% of non-senior households living in condominiums in 2006.

Seniors housing choices

Over half of all senior households live in single-detached homes, with older seniors being more likely than younger seniors to live in apartments

At 55%, the percentage of senior households that live in single-detached homes is similar to the corresponding percentage for non-senior households. But there are noticeable variations among senior households depending on the age of the senior household maintainer. Of all households headed by seniors aged 65-74, 59% live in single-detached homes, and 26% lived in apartments. For households headed by seniors aged 75 or more, the proportion of households living in single-detached homes drops to 51%, and the proportion of households living in apartments rises to 36% (see Table 2). This reflects the tendency of some seniors to move out of their single-detached homes and to downsize as they age. It also explains the lower rate of homeownership for households headed by seniors aged 75+. Because many apartments in Canada are rental units, older senior homeowners who downsize and who opt for apartment living sometimes decide to become renters after selling their home. However, the rate of homeownership for households headed by maintainers aged 75+ remains high, at 67.9%, 0.5 percentage points higher than that among non-senior households.

Seniors housing conditions

Definitions

Acceptable Housing and Core Housing Need

The term **acceptable housing** refers to housing that is adequate in condition, suitable in size, and affordable.

- **Adequate** housing does not require any major repairs, according to residents.
- **Suitable** housing has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabiting adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom. A household of one individual can occupy a bachelor unit (i.e. a unit with no bedroom).
- **Affordable** housing costs less than 30 per cent of before-tax household income. For renters, shelter costs include rent and any payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

A household is in core housing need if its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30 per cent or more of its before-tax income to pay the median rent of alternative local market housing that meets all three standards.

For certain households in Canada, housing conditions cannot be assessed. The Census does not collect shelter cost data for farm households and households living in band housing on, or outside, reserves. Housing affordability cannot be assessed for these households. In addition, shelter-cost-to-income ratios (STIRs) for households with incomes less than or equal to zero, or with shelter costs equal to or exceeding their incomes are considered uninterpretable by CMHC for the purpose of measuring affordability. Of the 12.4 million households identified in the 2006 Census, 11.8 million were non-farm, non-band, non-reserve households with interpretable shelter cost-to-income ratios (STIRs). The remainder of this highlight examines the housing conditions of all senior households among these 11.8 million households.

Core housing need

Senior households are more likely than non-senior households to be in core housing need

In 2006, senior households (at 14.4%) were more likely than non-senior households (at 12.2%) to be in core housing need (see Table 3).

Senior households in core housing need are more likely to live in unaffordable housing than in inadequate or unsuitable housing

Affordability is the most significant challenge that causes senior households to be in core housing need. Senior households living in unaffordable housing account for the majority of senior households living below standards and in core housing need (see Figure 3)[4]. Senior households in core need are less likely to live in crowded housing than non-senior households, a difference which can be attributed to the smaller average size of senior households discussed above.

Senior households spend, on average, less on housing than non-senior households

Senior households have a lower average shelter cost and a lower average shelter cost-to-income ratio (STIR) than non-senior households. This can be explained by the different tenure patterns of senior and non-senior households. Senior households are much more likely than non-senior households to own their homes mortgage-free (58% compared to 21%). Homeowners without mortgages have the lowest average shelter costs, as their shelter costs consist only of property taxes, condominium fees in the case of condominium owners, fuel, electricity, water, and other services. Thus, although the average household income for senior households (at $50,647) was 36% below the average for non-senior households (at $78,479), the average STIR was slightly lower for senior households than for non-senior households (see Table 4). The average shelter cost for senior households was $606 in 2006, 39% below the average shelter cost of non-senior households ($988).

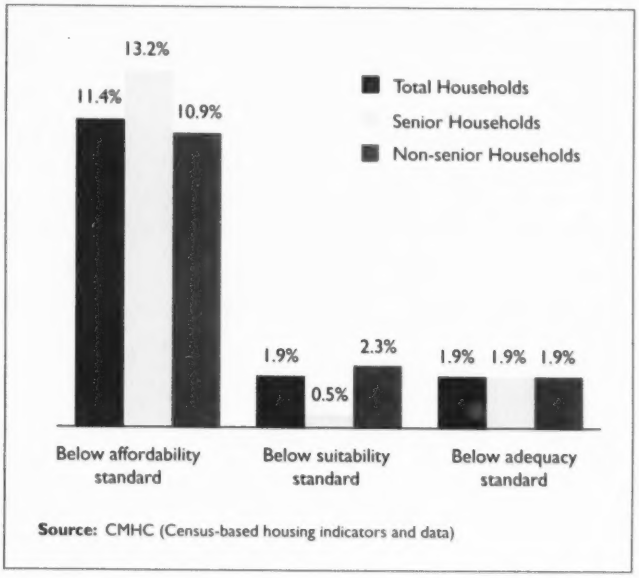

Figure 3 Households in Core Housing Need by Housing Standards, Canada, 2006

Table 3 Housing Conditions for Senior and Non-senior Households, Canada, 2006

	All Households			Households Below Standards			Households in Core Housing Need		
	Total (#)	Owner (#)	Renter (#)	Total (%)	Owner (%)	Renter (%)	Total (%)	Owner (%)	Renter (%)
All Households	11,766,145	8,158,120	3,608,025	30.5	22.7	48.2	12.7	6.3	27.2
Senior	2,573,845	1,862,080	711,770	28.4	18.8	53.7	14.4	7.9	31.4
Non-senior	9,192,300	6,296,040	2,896,255	31.1	23.8	46.9	12.2	5.8	26.2

Source: CMHC (Census-based housing indicators and data)

[4] Percentages of households below housing standards for each group of households do not add up to the respective total incidence of core housing need because a household can be below more than one standard.

Table 4 Average Household Income, Shelter Costs, and Shelter Cost-to-Income ratio (STIR), Canada, 2006

		Average Annual Household Income before Taxes			Average Monthly Shelter Cost			Average STIR before Taxes		
		Total ($)	Owners ($)	Renters ($)	Total ($)	Owners ($)	Renters ($)	Total (%)	Owners (%)	Renters (%)
All Households	Total	72,391	85,857	41,943	905	983	725	22	19	29
	in core housing need	19,968	22,789	18,496	756	909	675	49	50	48
	not in core housing need	80,018	90,086	50,708	926	988	744	18	17	22
Senior	Total	50,647	57,916	31,631	606	578	681	21	17	32
	in core housing need	18,147	19,435	17,300	657	683	641	45	43	46
	not in core housing need	56,101	61,207	38,176	597	569	700	17	15	26
Non-senior	Total	78,479	94,121	44,477	988	1,103	736	22	19	28
	in core housing need	20,568	24,134	18,847	788	1,000	686	50	52	49
	not in core housing need	86,552	98,440	53,573	1,016	1,109	754	18	17	21

Source: CMHC (Census-based housing indicators and data)

The lower average STIR among all senior households results from a relatively low average STIR among senior households who own their homes (2.0 percentage points below the non-senior average) and a relatively high average STIR among senior households who rent their homes (4.0 percentage points above the non-senior average). Senior households who rent their homes are much more likely to be in core housing need (at 31.4%) than senior households who own their homes (at 7.7%) as a result of these differences in average STIRs, and they account for a large share (60%) of senior households who are in core housing need.

Both senior men and senior women living alone have a higher incidence of core housing need than other senior household types

About 8.2% of senior households with a male primary household maintainer were in core housing need in 2006, compared to 22.5% of senior households with a female primary household maintainer. However, the difference in core housing need between male and female senior households is substantially smaller for senior men and women who live alone. In 2006, 22.2% of men and 25.4% of women aged 65 and older who lived alone were in core housing need. Comparing average household incomes can help explain this finding (see Table 5). Although there is a large difference in average household income between senior households with male and female household maintainers, the difference in average household income is much smaller when senior female one-person households are compared to senior male one-person households.

Table 5 Average household income and incidence of core housing need of senior households, by gender of primary household maintainer and household type, Canada, 2006

	Average Household Income	% in Core Housing Need
Male household maintainer - All	$55,060	8.2%
Couples without children	57,976	3.7%
Living alone	$34,716	22.2%
Multi-family	$57,535	30.1%
Other one-family	$73,930	4.3%
Female household maintainer - All	$37,764	22.5%
Couples without children	$60,556	6.9%
Living alone	$29,367	25.4%
Multi-family	n/a	n/a
Other one-family	$58,321	21.2%

Source: Statistics Canada (Survey of Income and Labour Dynamics)

Living alone is therefore an important factor in increasing the likelihood that a senior will be in core housing need. The especially high incidence of core housing need among senior households with a female primary household maintainer is in large part due to their higher likelihood of being one-person households (see Table 2). Although there is a marked difference in average household income between all senior households headed by men and all senior households headed by women, gender by itself (i.e., the lower average wages and pensions of women compared to men) appears to account for only a small part of the gap in housing conditions between senior households with male household maintainers and senior households with female household maintainers, at least when household type is controlled for (see Table 5).

The improvement in housing conditions between 2001 and 2006 was stronger for senior households than for non-senior households

Among all households, the incidence of core housing need decreased from 13.7% in 2001 to 12.7% in 2006, continuing a trend observed between 1996 and 2001 (see Table 6). The improvement in housing conditions was stronger for senior households; between 2001 and 2006, the incidence of core housing need decreased from 16.9% to 14.4% among senior households and from 12.9% to 12.2% among non-senior households. However, senior households remained relatively more likely than non-senior households to be in core housing need in 2006. The stronger improvement in housing conditions among senior households was experienced by both senior owners and renters; the incidence of core housing need decreased from 36.2% to 31.4% for senior households that rent their homes, and from 9.0 to 7.9% for senior households that own their homes (see Table 6). This is consistent with changes in average household incomes between 2001 and 2006. Among senior households, the average household income increased by 23.5% between 2001 and 2006, while it increased by 18.1% among non-senior households.

The higher increase in average household income and the stronger improvement in housing conditions among senior households between 2001 and 2006 are not surprising given the changing economic profile of Canadian seniors. Cohorts of Canadians who are more affluent than today's older seniors are gradually reaching the age of 65, and transfer payments for low and moderate-income seniors have increased in recent years. These trends are slowly changing the socio-economic characteristics of senior households and are leading to improved housing conditions for seniors.

SUMMARY

Between 2001 and 2006, the senior population grew at a faster rate than the total Canadian population, with the population of seniors aged 75 and older growing at an especially high rate. In 2006, most seniors lived in private households, and households with senior primary household maintainers were on average smaller than non-senior households. The increase in the size of the senior population and the small average size of households headed by seniors resulted in the number of senior households growing more than that of non-senior households between 2001 and 2006.

As in previous census years, senior households had lower average incomes and were more likely to be in core housing need than non-senior households in 2006. However, between 2001 and 2006, senior households experienced a stronger improvement in housing conditions than did non-senior households, and the average household income for senior households saw a stronger increase than that for non-senior households. Seniors living alone are significantly

Table 6 Incidence of Core Housing Need, Canada, 1996-2006

	Total			Owner			Renter		
	1996 %	2001 %	2006 %	1996 %	2001 %	2006 %	1996 %	2001 %	2006 %
Total Households	15.6	13.7	12.7	6.9	6.6	6.3	31.7	28.3	27.2
Senior	17.8	16.9	14.4	8.6	9.0	7.9	37.9	36.2	31.4
Non-senior	15.1	12.9	12.2	6.4	5.8	5.8	30.3	26.4	26.2

Source: CMHC (Census-based housing indicators and data)

more likely to be in core housing need than other types of senior households. This is true irrespective of the gender of the household maintainer. While senior households with female primary household maintainers are much more likely to be in core housing need than senior households with male primary household maintainers, the gender-specific difference in housing conditions is much smaller when senior women living alone are compared to senior men living alone. Household type is therefore an important variable that affects the incidences of core housing need among senior households.

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